

BOUNTIFUL REDEVELOPMENT AGENCY

Meeting Minutes of: Tuesday, June 14, 2016

Location: City Council Chambers, Bountiful City Hall, 790 South 100 East, Bountiful, Utah

Present: Chairman – Randy Lewis; Board Members – John Marc Knight, Richard Higginson, Kendalyn Harris and John Pitt; Redevelopment Director – Chad Wilkinson; City Manager – Gary Hill; City Attorney – Russell Mahan; City Engineer – Paul Rowland

Excused: Board Member – Beth Holbrook

Welcome

1. Chairman Randy Lewis opened the meeting at 8:21 p.m. and welcomed those in attendance.

Agenda Items

2. **Consider approval of minutes for May 10, 2016.**

Mr. Pitt made a motion to approve the minutes for May 10, 2016. Mr. Higginson seconded the motion.

A Mr. Lewis
A Ms. Harris
A Mr. Higginson
A Ms. Knight
A Mr. Pitt

Motion passed 5-0.

3. **PUBLIC HEARING: Consider approval of Resolution 2016-02; FY 2016 Amended RDA Budget and proposed FY 2017 RDA Budget.**

Redevelopment Director Chad Wilkinson presented a summary of the staff report (the full staff report follows).

Each year the Redevelopment Agency (RDA) Board of Bountiful City must adopt a budget for the upcoming fiscal year. The Board may also adopt an amended budget if necessary.

Staff has prepared an amended budget for FY 2016 and a final budget for FY 2017 for the Redevelopment Agency of Bountiful City.

The RDA budget includes two funds:

- Fund 72 – Loan Program
- Fund 73 – Administration and Operations

Fund 72 - The Loan Fund administers the city's revolving loan program. Revenues for the fund include principle and interest payments from loans and transfers from fund balance. Expenditures are almost exclusively in the form of new loans. Since this fund has adequate balance to cover loans for the coming year, no new funds are budgeted for Fund 72 this year.

Fund 73 – The Administration and Operations Fund is used to administer the RDA programs and projects. Revenues are primarily from tax increment. This year's budget anticipates collecting roughly \$936,595 dollars in new tax increment. The remainder of the revenue is from interest earnings and fund balance. Projected revenues reflect the reduction to the City share of tax increment that was negotiated with the Taxing Entity Committee (TEC) as part of the RDA extension process.

Notably, debt repayment for the Renaissance Town Center parking structure was completed in the last budget year. Expenditures in this fund include personnel, operating costs (materials, supplies, and services) and special projects. A total of \$3 million dollars has been budgeted for special projects for the coming year with revenues coming from a combination of Undesignated Fund Balance and new tax increment revenues. Special projects budgeted for next year include funding for the downtown plaza and professional services associated with the project. A reduction in administrative funding for the area is reflected in the budget as negotiated with the TEC.

The budget has been reviewed by the RDA Director and the City Manager.

The RDA Board should adopt Resolution 2016-02 approving the 2017 Budget.

PUBLIC HEARING: Chairman Lewis opened the Public Hearing at 8:22 p.m., and the hearing was closed at 8:23 p.m. with no comment from the public.

Mr. Pitt made a motion to approve Resolution 2016-02; FY 2016 Amended RDA Budget and proposed FY 2017 RDA Budget. Mr. Higginson seconded the motion.

<u>A</u>	Mr. Lewis
<u>A</u>	Ms. Harris
<u>A</u>	Mr. Higginson
<u>A</u>	Ms. Knight
<u>A</u>	Mr. Pitt

Motion passed 5-0.

4. RDA Director's report and miscellaneous business.

Mr. Wilkinson highlighted the RDA's current loans and balance payoffs. He noted that all loan payments are current and payments are received each month in a timely manner. Mr. Wilkinson reported there are a few businesses interested in new RDA loans, and those loans will be brought forward in the new few months.

Chairman Lewis asked Mr. Wilkinson to report on the past year's notable new and lost Bountiful businesses. Mr. Wilkinson addressed the process of bringing a new business to the city and said that with some of the bigger businesses, such as Down East, the businesses frequently ask that their plans be kept quiet until proper financing is arranged. Down East was proactive in getting that tenant space filled and is a good addition to Bountiful. A significant loss over the past year includes the Duncan Electric building which fortunately has been purchased by another entity, and tenant spaces are filling up. Also, the Bountiful Lumber building is close to getting a tenant. Other significant additions over the past year include a number of beverage shops – one that is notable for the RDA is Club Soda on 2600 South. The prior owner of that property had an RDA loan and was able to pay off the RDA loan after the sale of the property. As a result of a recently approved zone change there will be a mixed-use building come through at the Renaissance Center in the next few months. It is exciting to anticipate Renaissance becoming active once again. The city has received many comments about the building on the north side of the Renaissance Center.

Ms. Harris asked regarding future plans for the Smith's site on Highway 89 after they relocate to Woods Cross. Mr. Wilkinson explained that he had received several calls regarding indoor storage usage for that site, but that type of use was prohibited by the Council several years ago. There has been talk about putting a Ford store there. Mr. Wilkinson stated there are multiple layers on how the lease of the land is set up, and he will research this further.

Mr. Wilkinson noted that the Olson property on 2600 South and 500 West has been cleared and, as such, new interest in that land will occur. Over the past many years, the City has received complaints about the large overhanging trees on that property and potential safety issues, and it was a relief to learn the trees have been removed.

Ms. Harris circled back to the Smith's issue and expressed her desire that the city be proactive in resolving future use of that property. Mr. Wilkinson expressed his concern about exclusions for big box competitors on that land. Mr. Pitt said that Smith's leaving Bountiful is a potential double whammy in that the Smith's revenue is leaving Bountiful, but the new Woods Cross Smith's could pull customers from the 500 South/2nd West store. Mr. Wilkinson noted that the Woods Cross store will not be a full Marketplace.

Mr. Lewis expressed how satisfying it is to see new development happening, and the south end of the county will benefit.

Mr. Higginson asked if it is inevitable that 5 Points become multi-family. Mr. Wilkinson said he didn't think it is inevitable and that the city will most likely see some mixed use and a

residential component, but he stressed that is ultimately up to the City Council. The only thing that has been changed for mixed use at this point is the north piece and that residential use is highly restrictive. The city is still working on getting some good commercial tenants. There is an RDA stake in this and the tax increment generation; however, preliminary calculations included some residential units (around 200 units). The city will be diligent to make certain it is a vibrant center.

Mr. Wilkinson reported regarding the Wasatch Front Regional Council grant of \$60,000 which will be used in part to plan that center and make sure we get the right mix of uses.

Ms. Harris noted that economic development is important to the City Council, and stated that Mr. Wilkinson does a great job, but there are only so many hours in a day, and there might be need to get additional help to assist in recruiting businesses that might be a good fit for places like the Highway 89 Smith's and other exciting things coming up.

Chairman Lewis asked for a motion to go to a closed session to discuss the acquisition or sale of real property pending litigation and/or discuss the character or competency of an individual as of the Utah Code 52-4-205. Mr. Pitt made a motion to end the RDA meeting and move to a closed session. Mr. Higginson seconded the motion.

<u>A</u>	Mr. Lewis
<u>A</u>	Ms. Harris
<u>A</u>	Mr. Higginson
<u>A</u>	Ms. Knight
<u>A</u>	Mr. Pitt

Motion passed 5-0.

Adjourn

Chairman Lewis ascertained there were no other items to discuss. The meeting was adjourned at 8:35 p.m.

Chad Wilkinson, Redevelopment Director